

**From:** "Dan Coons" <dcoons@mabank.com> on 04/19/2004 03:30:06 PM  
**Subject:** Economic Growth and Regulatory Paperwork Reduction Act of 1996 Review

To Regulators dealing with burdensome regulations,

These comments deal with "Loans in Identified Flood Hazard Areas, 12 CFR 208.25 Reg H.

Our bank is in a rural area. Flood insurance is available only in incorporated areas of our home county. Flood hazard determinations are required though on all parcels of land which have a "structure" as defined in the regulation. That includes a grain bin or even an old barn which is beginning to fall over. If our customers in the unincorporated areas had flood insurance available to them, then the reg would make more sense. Even if flood insurance were available, it would seem wasteful to require a flood insurance determination on a dilapidated building which adds no economic value to the property. With flood insurance unavailable, it seems very wasteful of time, money and effort to require the flood hazard determination.

While I realize it is only \$18.00 to have a flood certification done, it is not as simple as just fill in the request and it is back. In these rural areas an address has not been assigned to every parcel which has a "structure" but does not have a residence. Therefore, when our loan assistants request a flood cert, they must first try to determine what the address is for the property in question. Then it becomes an issue for each customer who owns such a property that they must pay \$18.00 for something which is totally valueless to them. On one occassion, I had a customer who built a house on a 40 acre tract. That tract was in an unincorporated area and yet did have a flood zone on the 40 acres. The flood zone happened to be at the very west end of the property and he had built on the middle of the property. His house was probably 40 or 50 feet higher than the flood zone (please understand that I am not a surveyor, but he built high on the hill and nowhere near a level which would be endangered by a flood. Not even in the floods we experienced in 1993 and 1995 was this property remotely threatened). Yet we had to do a flood determination and then he had to have a flood survey done. All of this inspite of the fact that he could not buy flood insurance protection because it was not available in his unincorporated area.

Please review the regulations and consider the issue of flood determinations on all structures, even in areas where flood insurance is unavailable.

Thank you,

Dan Coons, a rural Missouri banker